

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Pavala Vaddi Scheme –Waiver of interest on crop loans during Rabi 2011-12 season in the State of Andhra Pradesh – Orders – Issued.

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**AGRICULTURE & COOPERATION (FP.II) DEPARTMENT**

**G.O.Ms.No.270** **Dated:22.11.2011.**  
Read the following:

- 1) From the General Manager & Convenor, SLBC of Andhra Pradesh, Hyderabad letter No.666/30/317/228, dated 11.6.2011.
- 2) From the Commissioner & Director of Agriculture, Hyderabad letter No. Credit/269/2011, dated .7.2011.

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**ORDER:**

The Pavala Vaddi scheme launched by State Government during 2008 has been well received by both farmers and Banks in the State. However, the quantum of reimbursement of the interest has been very meager and pace very slow because of certain differences between it and the interest subvention scheme of Government of India.

2. During the inauguration of 'Indira Jalaprabha Pathakam' at Jangalapally in Prakasam District on 02.10.2011 Hon'ble Chief Minister made an announcement for complete waiver of interest on crop loans repaid by the farmers in time, beginning with Rabi season of 2011-12.

3. Accordingly, Government after careful examination of the above proposal, hereby issue the order waiving of the interest on all crop loans repaid by the farmers in time beginning with Rabi season of 2011-12 (i.e., for crop loans granted w.e.f.,01.10.2011), subject to the following operational guidelines:

- i) Interest waiver is applied for crop loans w.e.f., the Rabi 2011-12.
- ii) Interest waiver scheme is available to all the crop loans upto Rs.3.00 lakhs per farmer, repaid intime.
- iii) The Interest on all crop loans upto Rs. 1.00 lakh is waived 100%. While 100% interest subsidy is also allowed on loans from Rs.1.00 lakh to Rs.3.00 lakhs, but limited to the principal amount upto Rs.1.00 lakh only, and on the amount exceeding Rs.1.00 lakh, Pavala Vaddi only will be applicable. No interest waiver whatsoever on crop loans exceeding above Rs.3.00 lakhs.

The following Table illustrates the estimated amounts of crop loans that may be eligible for interest reimbursement.

S.No	Category	Number of loan A/cs	% to total	Amount of crop loans (Rs.in crores)	% to total	Crop loan per capita (Rs.)	Eligible loan amount for interest subsidy (Rs.Cr)
1	Loans upto <1,00,000	89,70,600	94.46	19113.15	63.23	21,308	19,113.15
2.	Loans >1,00,000 to <3,00,000	4,41,750	4.65	5072.25	16.78	1,14,822	4,417.50
3.	Loans>3,00,000	84,550	0.89	6043.60	19.99	7,14,796	0.00
	Total....	94,96,900	100.00	30,229.00	100.00	31,830	23,530.65

Pto...

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- iv) The interest subsidy will be calculated on the crop loan amount from the date of its disbursement/drawal upto the date of actual repayment by the farmers or upto the due date of the loan as fixed by the Banks, whichever is earlier, subject to a maximum period of one year. This criteria compares with the existing guidelines under interest subvention scheme of Government of India and also the Kisan Credit Card norms.
  - v) The Banks at the State level shall submit their consolidated claims pertaining to the entire financial year by the end of April of subsequent financial year: say for the year 2011-12, latest by April 30, 2012, duly audited by statutory auditors certifying the correctness. The consolidated claims may be in the 'AP Format II' (copy enclosed).
  - vi) All the banks shall adapt their computerized programmes so as to generate the interest subsidy claims in a centralized manner from their controlling offices at State Head quarters. This procedure is also comparable with that of interest subvention scheme of Government of India.
  - vii) The State Government will reimburse the interest claims to respective banks soon after receiving of the claims.
4. The Commissioner & Director of Agriculture, Hyderabad shall take further necessary action in the matter.
5. This order issued with the concurrence of Finance Department vide their U.O. No.4705/PFS/2011, dated 01.11.2011.

**( BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)**

**V. NAGI REDDY**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

To  
The Commissioner & Director of Agriculture, Hyderabad.  
The Convenor, SLBC, Saifabad, Hyderabad.  
Copy to:  
The Finance (Expr.A&C) Department.  
The P.S. to Addl. Secretary to CM  
The OSD to Dy. Chief Minister.  
P.S. to Prl. Secretary to Govt. (Agri.)  
SF/SCs.

**// FORWARDED BY ORDER //**

**SECTION OFFICER.**

**A.P. FORMAT – II**

**One – time claim for Interest Waiver / Pavala Vaddi Scheme of Government of Andhra Pradesh for timely repayment of short – term crop loans up to Rs. 3.00 lakh disbursed in the year.**

**Name of the Bank:**

S. No.	Category	Total crop loans eligible for subsidy(Rs. Lakhs)			Total crop loans which were repaid in time (Rs. Lakhs)			Amount of interest to be reimbursed (Rs. Lakhs)
		No.of a/cs	Amount eligible for 100% interest subsidy	Amount eligible for Pavala Vaddi	No.of a/cs	Amount eligible for 100% interest subsidy	Amount eligible for Pavala Vaddi	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Loans upto Rs. 1.00 lakh	.....	.....	Not applicable	.....	.....	Not applicable	.....
2.	Loans from Rs. 1.0 lakh to Rs. 3.0 lakhs	.....	.....	.....	.....	.....	.....	.....
	Total.	.....	.....	.....	.....	.....	.....	.....

We certify that the above loans for which the claim is being made were repaid in time and the interest claimed excludes the eligible incentive subvention of Government of India.

Date:

Authorised Signatory

**(This claim format needs to be duly certified by Statutory Auditors)**